

**BOULT
CUMMINGS
CONNERS
& BERRY** PLC

Henry Walker
(615) 252-2363
Fax: (615) 252-6363
Email: hwalker@bccb.com

LAW OFFICES
414 UNION STREET, SUITE 1600
POST OFFICE BOX 198062
NASHVILLE, TENNESSEE 37219

TELEPHONE (615) 244-2582

FACSIMILE (615) 252-2380

INTERNET WEB <http://www.bccb.com/>

May 11, 2000

David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

**Re: Petition of MCI WorldCom to Enforce Interconnection Agreement
Docket No. 99-00662**

Dear David.

Please find enclosed are the original and thirteen copies of the Direct Testimony of Ronald Martinez and Dan Aronson on behalf of MCI WorldCom in the above-captioned proceeding. Copies have been forwarded to parties of record.

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:

Henry Walker

HW/nl
Enclosure
cc: Parties

POSTED
5/12/00

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

IN RE:	PETITION OF MCI)	
	WORLDCOM TO ENFORCE)	DOCKET NO. 99-00662
	INTERCONNECTION)	
	AGREEMENT)	

DIRECT TESTIMONY

OF

DAN ARONSON

ON BEHALF OF

MCI WORLDCOM, INC.

AND

MCImetro ACCESS TRANSMISSION SERVICES, INC.

May 11, 2000

1 **BEFORE THE TENNESSEE REGULATORY AUTHORITY**

2 **DIRECT TESTIMONY**

3 **OF**

4 **DAN ARONSON**

5 **ON BEHALF OF MCI WORLDCOM, INC.**

6 **AND**

7 **MCImetro ACCESS TRANSMISSION SERVICES, INC.**

8 **DOCKET NO. 99-00662**

9
10 **Q. What is your name, position of employment and business address?**

11 A. My name is Daniel Aronson. My position of employment is Director of Carrier Access
12 Billing for MCI WorldCom companies. My business address is 500 Clinton Center Drive,
13 Clinton, Mississippi, 39056.

14
15 **Q. Do your duties as Director of Local Carrier Revenue Services include responsibilities**
16 **regarding Tennessee reciprocal compensation?**

17 A. Yes. My duties today include responsibility for rendering invoices to BellSouth ("BST") for
18 reciprocal compensation payments for the termination of local calls from BST customers to
19 customers of MCImetro Access Transmission Services Inc. ("MCImetro") pursuant to the
20 Tennessee interconnection contract between MCImetro and BST. Prior to the beginning of
21 1999, the responsibility for billing reciprocal compensation was with the MCImetro Billing
22 group.

1
2 **Q. What is the purpose of your testimony?**

3 A. The purpose of my testimony is to identify the amount of reciprocal compensation that is
4 currently due and owing from BST to MCImetro in Tennessee.
5

6 **Q. What is the amount of the outstanding balance that is due and owing from BST to**
7 **MCImetro in Tennessee?**

8 A. As of the last invoice sent to BST on April 10, 2000, the total amount that is due and owing
9 from BST to MCImetro for reciprocal compensation in Tennessee is \$ 3,575,462. I
10 have attached as Exhibit 1 to my testimony a summary of the MCImetro Reciprocal
11 Compensation Invoice transactions from the first open invoice in April 1997, to the April 10,
12 2000 invoice. This summary shows the amounts billed to BST for reciprocal compensation
13 pursuant to the interconnection agreement in Tennessee, as well as amounts paid by BST on
14 such charges.
15

16 **Q. Was Exhibit 1 prepared under your direct supervision?**

17 A. Yes.
18

19 **Q. Is the information in Exhibit 1 accurate?**

20 A. Yes
21

22 **Q. What reciprocal compensation rates were used?**

1 A. The reciprocal compensation rates that have been billed to BST are contained in the
2 interconnection agreement. Paragraph 2.2 of Attachment IV states that BST and MCImetro
3 “shall bill each other reciprocal compensation at the rates set forth for Local Interconnection
4 in this Agreement and the Order of the TRA”. Table 1 of Attachment I of the
5 interconnection agreement specifies the rates that were established by the TRA. BST has
6 billed MCImetro \$.005 per minute (Interconnection Through the BellSouth Tandem).
7 Therefore, MCImetro has billed BST a reciprocal rate of \$.005 per minute for local calls
8 from customers of BST to customers of MCImetro.

9
10 **Q. Has BST paid reciprocal compensation to MCImetro on ISP-bound local traffic?**

11 A. Based on the records that I have, BST began in late 1997 to unilaterally withhold approximately
12 50% of the invoiced reciprocal compensation amounts based on BST's internal estimate of
13 the portion of the reciprocal compensation invoices it claimed was attributable to calls to
14 ISPs. The account history summarized in Exhibit 1 shows that withholdings of a greater
15 percentage began in approximately February of 1999. I understand today that BellSouth is
16 also disputing the \$.005 rate level for reciprocal compensation that has been billed by
17 MCImetro, but I cannot pin down exactly when BST's withholdings based on that dispute
18 began.

19 Neither BST nor MCImetro can precisely segregate ISP-bound local calls from other local
20 calls. However, BST has not paid MCImetro's invoices in full, and BST has indicated that
21 it is attempting to avoid paying reciprocal compensation on ISP-bound local traffic.
22

1 **Q. What did MCImetro do about BST's refusal to pay fully invoices for reciprocal**
2 **compensation?**

3 A. MCImetro has sent demand letters to BST requesting that BST pay the invoices in full.. BST
4 has refused. As a result, MCImetro has been forced to file this complaint for enforcement of
5 its interconnection agreement with the Tennessee Regulatory Authority.

6 **Q. Does this conclude your direct testimony?**

7 A. Yes.

8



TRANSACTION HISTORY
 TRANSMISSION SERVICES / MCI WORLDCOM
 TENNESSEE - MEMPHIS TENNESSEE MARKET
 MAY

TRANSACTIONS VIA MCI METRO ACCESS TRANSMISSION SERVICES BILLING GROUP

Invoice Date	Toll MOU	Toll Chg.	Local MOU	Local Chg.	Adjustments	Usage Charges	Payments	Balance
04/01/97	unavail	unavail	unavail	unavail		5.14	-3.09	2.05
05/01/97	unavail	unavail	unavail	unavail		17.03		17.03
06/01/97	unavail	unavail	unavail	unavail		1,030.36		1,030.36
07/01/97	unavail	unavail	unavail	unavail		4,445.59		4,445.59
08/01/97	unavail	unavail	unavail	unavail		6,835.62		6,835.62
09/01/97	unavail	unavail	unavail	unavail		18,144.53		18,144.53
10/01/97	unavail	unavail	unavail	unavail		18,566.65	(9,282.64)	9,284.01
11/01/97	unavail	unavail	unavail	unavail		26,637.72	(9,077.02)	17,560.70
12/01/97	unavail	unavail	unavail	unavail		24,211.76	(12,104.15)	12,107.61
01/01/98	unavail	unavail	unavail	unavail		66,164.21	(33,080.03)	33,084.18
02/01/98	unavail	unavail	unavail	unavail		63,610.93	(63,602.05)	8.88
03/01/98	unavail	unavail	unavail	unavail		50,872.93	(50,868.59)	4.34
04/01/98	unavail	unavail	unavail	unavail		59,814.07	(59,802.59)	11.48
05/01/98	unavail	unavail	unavail	unavail		31,027.89	(24,444.76)	6,583.13
06/01/98	unavail	unavail	unavail	unavail		56,270.58	(36,378.00)	19,892.58
07/01/98	unavail	unavail	unavail	unavail		58,320.27	(56,205.90)	2,114.37
08/01/98	unavail	unavail	unavail	unavail		57,286	(51,761.02)	5,524.98
09/01/98	unavail	unavail	unavail	unavail		72,382.37	(65,405.53)	6,976.84
10/01/98	unavail	unavail	unavail	unavail		83,265.24	(75,237.83)	8,027.41
11/01/98	unavail	unavail	unavail	unavail		78,717.21	(68,439.85)	10,277.36
12/01/98	unavail	unavail	unavail	unavail	-4,652	85,269.10	(35,808.25)	44,808.85
01/01/99	unavail	unavail	unavail	unavail		84,968.40	(35,678.67)	49,289.73
					\$ (4,652.00)	\$ 947,863.60	\$ (687,179.97)	\$ 256,031.63

TRANSACTIONS VIA MCI / WORLDCOM CARRIER BILLING GROUP

	Toll MOU	Toll Chg.	Local MOU	Local Chg.	Adjustments	Usage Charges	Payments	Balance
02/10/99	1,157,374	\$ 70,807.62	17,924,441	\$ 89,622.21		\$ 160,429.83	(51,323.36)	\$ 109,106.47
03/10/99	865,407	52,945.58	13,951,750	69,758.75	67,033.24	122,704.33	(9,966.03)	179,771.54
04/10/99	1,006,473	61,576.70	16,490,062	82,450.31		144,027.01	(9,568.18)	134,458.83
05/10/99	801,471	49,034.42	13,736,820	68,684.11	134,066.48	117,718.53	(3,754.02)	248,030.99
06/10/99	1,193,069	72,992.04	18,747,260	93,736.31	82,851.44	166,728.35	(21,599.45)	227,980.34
07/10/99	1,102,528	67,453.26	16,837,914	84,189.57	82,440.38	151,642.83	(19,046.48)	215,036.73
08/10/99	1,236,342	75,640.26	17,818,085	89,090.44	53,803.19	164,730.70	(16,431.25)	202,102.64
09/10/99	1,178,242	72,085.61	17,238,388	86,191.94	5,739.62	158,277.55	(14,997.05)	149,020.12
10/10/99	1,032,313	63,157.41	14,766,989	73,834.95	1,035.26	136,992.36	(8,982.57)	129,045.05
11/10/99	1,350,902	82,646.90	19,692,694	98,463.47		181,110.37	(5,746.89)	175,363.48
12/10/99	2,062,194	126,146.97	32,059,875	160,299.37		286,446.34	(9,168.92)	277,277.42
01/10/00	2,465,808	150,840.10	37,207,969	186,039.84		336,879.94	(10,569.89)	326,310.05
02/10/00	3,058,495	187,105.03	48,034,416	240,172.10		427,277.13	(16,806.58)	410,470.55
03/10/00	3,359,322	205,513.23	52,204,750	261,023.76		466,536.99		466,536.99
04/10/00	3,574,814	218,696.37	55,438,566	277,192.84		495,889.21		495,889.21
					25,444,754	\$ 1,556,641.50	392,149,979	\$ 1,960,749.97
					\$ 426,969.61	\$ 3,517,391.47	\$ (197,960.67)	\$ 3,746,400.41

TOTAL DUE \$ 422,317.61 \$ 4,465,255.07 \$ (885,140.64) \$ 4,002,432.04

Market	Jurisdiction	Indicator	TimePeriod	199901	199902
BELL SOUTH. MEMPHIS	INTRASTATE	0 C		938960	809463
BELL SOUTH. MEMPHIS	INTRASTATE	0 P		218414	55944
BELL SOUTH. MEMPHIS	INTRASTATE	1 C		57445.44	49522.75
BELL SOUTH. MEMPHIS	INTRASTATE	1 P		13362.18	3422.83
BELL SOUTH. MEMPHIS	LOCAL	0 C		14667250	13156008
BELL SOUTH. MEMPHIS	LOCAL	0 P		3257191	795742
BELL SOUTH. MEMPHIS	LOCAL	1 C		73336.26	65780.04
BELL SOUTH. MEMPHIS	LOCAL	1 P		16285.95	3978.71
				1,157,374.00	865,407.00
				\$ 70,807.62	\$ 52,945.58
				0.06118	
				17,924,441.00	13,951,750.00
				\$ 89,622.21	\$ 69,758.75
				0.005	
				0.9393468	0.9415943
				\$ 160,429.83	\$ 122,704.33

199903	199904	199905	199906	199907	199908	199909
941853	739502	996487	1039949	1161141	1110778	952900
64620	61969	196582	62579	75201	67464	79413
57623.12	45243.09	60965.14	63624.55	71039.47	67958.1	58299.09
3953.58	3791.33	12026.9	3828.71	4600.79	4127.51	4858.32
15445914	12773490	15499990	15965346	16604700	16283221	13679426
1044148	963330	3247270	872568	1213385	955167	1087563
77229.57	63867.46	77499.96	79826.73	83023.51	81416.1	68397.13
5220.74	4816.65	16236.35	4362.84	6066.93	4775.84	5437.82
1,006,473.00	801,471.00	1,193,069.00	1,102,528.00	1,236,342.00	1,178,242.00	1,032,313.00
\$ 61,576.70	\$ 49,034.42	\$ 72,992.04	\$ 67,453.26	\$ 75,640.26	\$ 72,085.61	\$ 63,157.41
16,490,062.00	13,736,820.00	18,747,260.00	16,837,914.00	17,818,085.00	17,238,388.00	14,766,989.00
\$ 82,450.31	\$ 68,684.11	\$ 93,736.31	\$ 84,189.57	\$ 89,090.44	\$ 86,191.94	\$ 73,834.95
0.9424759	0.9448717	0.9401680	0.9385451	0.9351152	0.9360229	0.9346608
\$ 144,027.01	\$ 117,718.53	\$ 166,728.35	\$ 151,642.83	\$ 164,730.70	\$ 158,277.55	\$ 136,992.36

199910	199911	199912	200001	200002	200003
1285361	2015785	2398983	2978316	3250265	3,461,878.00
65541	46409	66825	80179	109057	112,936.00
78637.31	123307.57	146752.3	182200.11	198841.85	211,787.03
4009.59	2839.4	4087.8	4904.92	6671.38	6,909.34
18672231	31226063	36021146	44429322	50319085	53,380,865.00
1020463	833812	1186823	3605094	1885665	2,057,701.00
93361.15	156130.32	180105.73	222146.61	251595.43	266,904.33
5102.32	4169.05	5934.11	18025.49	9428.33	10,288.51
1,350,902.00	2,062,194.00	2,465,808.00	3,058,495.00	3,359,322.00	3,574,814.00
\$ 82,646.90	\$ 126,146.97	\$ 150,840.10	\$ 187,105.03	\$ 205,513.23	\$ 218,696.37
19,692,694.00	32,059,875.00	37,207,969.00	48,034,416.00	52,204,750.00	55,438,566.00
\$ 98,463.47	\$ 160,299.37	\$ 186,039.84	\$ 240,172.10	\$ 261,023.76	\$ 277,192.84
0.9358046	0.9395642	0.9378479	0.9401386	0.9395415	0.9394237
\$ 181,110.37	\$ 286,446.34	\$ 336,879.94	\$ 427,277.13	\$ 466,536.99	\$ 495,889.21

IN RE: PETITION OF MCI)
WORLDCOM TO ENFORCE) DOCKET NO. 99-00662
INTERCONNECTION)
AGREEMENT)

MCImetro ACCESS TRANSMISSION SERVICES, INC.

0644908.01
058100-050 05/11/2000

1 **BEFORE THE TENNESSEE REGULATORY AUTHORITY**

2 **DIRECT TESTIMONY**

3 **OF**

4 **RONALD MARTINEZ**

5 **ON BEHALF OF MCI WORLDCOM, INC.**

6 **AND**

7 **MCImetro ACCESS TRANSMISSION SERVICES, INC.**

8 **DOCKET NO. 99-00662**

9
10 **Q. PLEASE STATE YOUR NAME, ADDRESS AND POSITION.**

11 A. My name is Ronald Martinez. My business address is 780 Johnson Ferry Road, Atlanta,
12 Georgia 30342. I am employed by MCI Telecommunications Corporation in the Law and
13 Public Policy Group as an Executive Staff Member II. My responsibilities in my current
14 position include working with the MCI business units to ensure timely introduction of
15 products and services.

16
17 **Q. PLEASE PROVIDE YOUR BACKGROUND AND EXPERIENCE.**

18 A. In my previous position at MCI, I managed the business relationships between MCI and
19 approximately 500 independent local exchange companies in twenty-one states. I have
20 experience in network engineering, administration and planning; facilities engineering,
21 management and planning; network sales; and technical sales support. Prior to joining MCI,
22 I was the Director of Labs for Contel Executone for several years. Before that, I worked for

1 sixteen years in the Bell system in numerous engineering, sales and sales support functions.
2 I have a Master of Science degree in Operations Research and a Bachelor of Science Degree
3 in Electrical Engineering from the University of New Haven.
4

5 **Q. ARE YOU FAMILIAR WITH THE TENNESSEE INTERCONNECTION**
6 **AGREEMENT BETWEEN MCI AND BELL SOUTH?**

7 A. Yes. I was the lead negotiator in the negotiation of the Interconnection Agreement (the
8 "MCI Agreement") on behalf of MCI Metro Access Transmission Services, Inc.
9 ("MCI Metro"). Although I am not a lawyer and do not express legal opinions in this
10 testimony, I am quite familiar with the provisions discussed below and what the parties
11 intended them to accomplish.
12

13 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

14 A. The purpose of my testimony is to provide information to the Tennessee Regulatory
15 Authority ("TRA") concerning the provisions of the MCI Agreement that are relevant to the
16 reciprocal compensation issue. I have attached copies of the relevant provisions of the MCI
17 Agreement as Exhibit 1.
18

19 **Q. WHAT IS RECIPROCAL COMPENSATION?**

20 A. Reciprocal compensation is the mechanism by which interconnecting parties compensate
21 each other for local traffic terminated on each other's lines. Thus, when a customer calling
22 from a BellSouth line calls a customer on MCI Metro's network, BellSouth pays MCI Metro
23 to terminate that call.

**Q. WHAT CONTRACTUAL OBLIGATION DOES BELL SOUTH HAVE TO PAY
RECIPROCAL COMPENSATION TO MCIMETRO FOR LOCAL TRAFFIC ORIGINATED
ON BELL SOUTH'S LINES AND TERMINATED ON MCIMETRO'S LINES?**

A. Attachment IV, Subsection 2.2.1 of the Agreement provides in relevant part: "The Parties shall bill each other reciprocal compensation at the rates set forth for Local Interconnection in this Agreement and the Order of the TRA. Local Traffic is defined as any telephone call that originates in one exchange and terminates in either the same exchange, or a corresponding Extended Area (EAS) exchange." Rates for the exchange of local traffic are set forth in Table 1 of Attachment I to the MCI Agreement. As noted in Attachment I, Subsection 7.1, compensation for the exchange of local traffic is to be billed on a per-minutes-of-use basis and is to be measured in accordance with Attachment IV (i.e., in accordance with the definition in Subsection 2.2.1 quoted above). These provisions make it clear that BellSouth is required to pay MCImetro at the agreed-upon rate for all local calls originated on BellSouth's lines and terminated on MCImetro's lines.

**Q. DOES MCIMETRO "TERMINATE" TELEPHONE CALLS TO THE INTERNET
SERVICE PROVIDERS ON ITS NETWORK?**

Q. Yes. A "telephone call" placed over the public switched telephone network is "terminated" when it is delivered to the telephone exchange service premise bearing the called telephone number. As a communications service, a call is completed at that point, regardless of the identity or status of the called party. An internet service provider ("ISP") that purchases local service from MCImetro is assigned a telephone number by MCImetro for local service at the ISP's premise. When a BellSouth customer originates a call by dialing that number,

1 as far as MCImetro is concerned that call terminates at the ISP premise, just as any other
2 telephone call. A connection that an ISP may subsequently enable over the internet is
3 between the ISP and its other providers.

4 **Q. HOW DOES THE MCI AGREEMENT APPLY TO LOCAL TELEPHONE CALLS**
5 **MADE FROM BELLSOUTH'S NETWORK TO ISPs SERVED BY MCIMETRO'S**
6 **NETWORK?**

7 A. BellSouth must pay reciprocal compensation for the termination of such calls to ISPs. The
8 definition of Local Traffic in Attachment IV, Subsection 2.2.1, which was included at
9 BellSouth's request, makes no exception for telephone calls terminated to ISPs. Had such
10 an exception been intended, it would have been expressly included by the parties.

11
12 **Q. HAVE OTHER PUBLIC SERVICE COMMISSIONS ADDRESSED THE QUESTION**
13 **OF WHETHER RECIPROCAL COMPENSATION MUST BE PAID FOR LOCAL CALLS**
14 **TO ISPS?**

15 A. Yes. To my knowledge, more than a dozen state commissions now have ruled that telephone
16 calls to ISPs constitute local traffic that are subject to reciprocal compensation.
17 In the Southeast, three state commissions have so interpreted the exact language of the exact
18 agreement at issue in this proceeding.

19 In *Petition of MCImetro for Arbitration of Certain Terms and Conditions of Proposed*
20 *Agreement with BellSouth Telecommunications, Inc. Concerning Interconnection and Resale*
21 *Under the Telecommunications Act of 1996*, the Georgia Public Service Commission
22 ("GPSC") ruled that calls to ISPs are local under the terms of this agreement, as did the
23 Florida Public Service Commission ("FPSC") in *Complaint of WorldCom Technologies, Inc.*

1 *against BellSouth Telecommunications, Inc., for Breach of Terms of Florida Partial*
2 *Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act of*
3 *1996 and Request for Relief et. al., and the North Carolina Utilities Commission (“NCUC”)*
4 *in In the Matter of MCImetro Access Transmission Services, Inc., Complainant v. BellSouth*
5 *Telecommunications, Inc., Respondent.*

6 The United States District Court for the Northern District of Georgia sustained the GPSC
7 decision in *BellSouth Telecommunications, Inc. v. MCImetro Access Transmissions*, No.
8 1:99-CV-0248 (N.D. Ga. 2000).

9
10 **R. WAS THE ISSUE OF WHETHER RECIPROCAL COMPENSATION WOULD BE**
11 **PAID FOR ISP TRAFFIC EVER RAISED DURING NEGOTIATIONS OF THE**
12 **AGREEMENT WITH BELL SOUTH?**

13 **A.** The issue of whether reciprocal compensation would be paid for ISP traffic never came up
14 during negotiations.

15
16 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

17 **A.** Yes, it does at this time.
18
19
20

2.2 Compensation for Call Traffic Transport and Termination

2.2.1 The Parties shall bill each other reciprocal compensation at the rates set forth for Local Interconnection in this Agreement and the Order of the TRA. Local Traffic is defined as any telephone call that originates in one exchange and terminates in either the same exchange, or a corresponding Extended Area (EAS) exchange. The terms Exchange and EAS exchanges are defined and specified in Section A3. Of BellSouth's General Subscriber Service Tariff.

2.2.1.1 BellSouth shall provide to MCIm, on diskette(s) or in any other manner that the parties agree to, on a one-time basis when requested by MCIm, an all-inclusive list (BellSouth, LEC, CLEC and EAS NXX's) of NXX's pertaining to section 2.2.1, above, that creates parity with that which BellSouth provides to itself. MCIm may require, upon request, updates to this list.

2.2.2 The IP determines the point at which the originating carrier shall pay the terminating carrier for the completion of that traffic. The following compensation elements shall apply:

2.2.2.1 "Transport", which includes the transmission and any necessary tandem switching of local telecommunications traffic from the interconnection point between the two carriers to the terminating carrier's end-office switch that directly serves the called end-user.

2.2.2.2 "Termination", which includes the switching of Local Traffic at the terminating carrier's end office switch.

2.3 When an MCIm subscriber places a call to BellSouth's subscriber, MCIm will hand off that call to BellSouth at the IP. Conversely, when BellSouth hands over local traffic to MCIm for MCIm to transport and terminate, BellSouth must use the established IP.

2.4 MCIm may designate an IP at any Technically Feasible point including but not limited to any electronic or manual cross-connect points, collocations, telco closets, entrance facilities, and mid-span meets where mutually agreed upon. The transport and termination charges for local traffic flowing through an IP shall be as follows:

MCIm-BellSouth Tennessee Interconnection Agreement

2.4.1 When calls from MCIm are terminating on BellSouth's network through the BellSouth tandem, MCIm will pay to BellSouth dedicated transport charges from the IP to the tandem for dedicated or common transport. MCIm shall also pay a charge for tandem switching, dedicated or common transport to the end office (with mileage calculated as the weighted average of all end offices subtending that tandem), and end-office termination.

2.4.2 When BellSouth terminates calls to MCIm's subscribers using MCIm's switch, BellSouth shall pay to MCIm dedicated transport charges from the IP to the MCI Switching Center for dedicated or common transport. BellSouth shall also pay to MCIm a charge symmetrical to its own charges for tandem switching, tandem-to-end-office transport, and end office termination as identified in Section 2.4.1.

2.4.3 MCIm may choose to establish direct trunking to any given end office. If MCIm leases trunks from BellSouth, it shall pay charges for dedicated or common transport. For calls terminating from MCIm to subscribers served by these directly-trunked end offices, MCIm shall also pay an end-office termination. For BellSouth traffic terminating to MCIm over the direct end office trunking, compensation payable by BellSouth shall be the same as that detailed in Section 2.4.2 above.

Section 3. Signaling

3.1 Signaling protocol. The parties will interconnect their networks using SS7 signaling as defined in GR-317 and GR-394 including ISDN User Part ("ISUP") for trunk signaling and Transaction Capabilities Application Part ("TCAP") for CCS-based features in the interconnection of their networks. All Network Operations Forum (NOF) adopted standards shall be adhered to.

3.2 The parties will provide CCS to each other in conjunction with all trunk groups supporting local, transit, and toll traffic. The parties will cooperate on the exchange of Transactional Capabilities Application Part (TCAP) messages to facilitate full inter-operability of CCS-based features between their respective networks, including all CLASS features and functions. All CCS signaling parameters will be provided including automatic number identification (ANI), originating line information (OLI), calling party category, charge number, etc. All privacy indicators will be honored.

TABLE 1
TENNESSEE RATES FOR UNBUNDLED NETWORK ELEMENTS

TRANSPORT AND TERMINATION

Interconnection Through the BellSouth Tandem			
	<u>Units</u>	<u>Rate</u>	<u>Charge</u>
DS1 Local Channel - MCIm to BellSouth serving office	1	133.81	133.81
DS1 Interoffice Channel - BellSouth serving office to BellSouth Tandem			
Per Channel	1	90.00	90.00
Per Channel, per mile	7	23.00	161.00
DS1 Total			384.81
DS1 per minute of use, at 216,000 minutes per DS1 per month			0.001782
Tandem Switching	1	0.0007	0.000676
Common Transport - per mile	7	0.00004	0.00028
Common Transport - Facilities Term.	1	0.00036	0.00036
End Office Switching	1	0.0019	0.0019
Total Interconnection Charge per minute			<u>0.0050</u>
Direct End Office Interconnection			
	<u>Units</u>	<u>Rate</u>	<u>Charge</u>
DS1 Local Channel - MCIm to BellSouth serving office	1	133.81	133.81
DS1 Interoffice Channel - BellSouth serving office to BellSouth Term End Office			
Per Channel	1	90.00	90.00
Per Channel, per mile	10	23.00	230.00
DS1 Total			453.81
DS1 per minute of use, at 216,000 minutes per DS1 per month			0.002101
End Office Switching	1	0.0019	0.0019
Total Interconnection Charge per minute			<u>0.0040</u>

MCImetro-BellSouth Tennessee Interconnection Agreement

The headings and numbering of Sections, Parts and Attachments in this Agreement are for convenience only and shall not be construed to define or limit any of the terms herein or affect the meaning or interpretation of this Agreement.

Section 31. Entire Agreement

This Agreement, including all Parts and Attachments and subordinate documents attached hereto or referenced herein, all of which are hereby incorporated by reference herein, constitute the entire matter thereof, and supersede all prior oral or written agreements, representations, statements, negotiations, understandings, proposals, and undertakings with respect to the subject matter thereof.

Section 32. Counterparts

This Agreement may be executed in counterparts. Each counterpart shall be considered an original and such counterparts shall together constitute one and the same instrument.

Section 33. Successors and Assigns

This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

Section 34

The Parties acknowledge that the terms of this Agreement were established pursuant to an order of the Tennessee Utilities Authority. Any or all of the terms of this Agreement may be altered or abrogated by a successful challenge to the Agreement (or to the order approving the Agreement) as permitted by applicable law. By signing this Agreement, the parties do not waive their right to pursue such a challenge.

Section 35 Effective Date

This Agreement shall be deemed Effective when signed by the Parties and approved by the Tennessee Regulatory Authority.

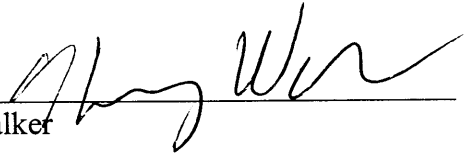
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served on the parties of record, via U.S. First Class Mail and/or Hand Delivery on this the 11th day of May, 2000.

Richard Collier, Esq.
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0500

Guy Hicks, Esq.
BellSouth Telecommunications, Inc.
333 Commerce St., Suite 2101
Nashville, TN 37201-3300

Bennett L. Ross, Esq.
BellSouth Telecommunications, Inc.
Suite 4300, BellSouth Center
675 W. Peachtree Street, NE
Atlanta, GA 30375



Henry Walker